FY04 / FY05 Retention Program

SGM James Vales

FY04 End of Year Summary

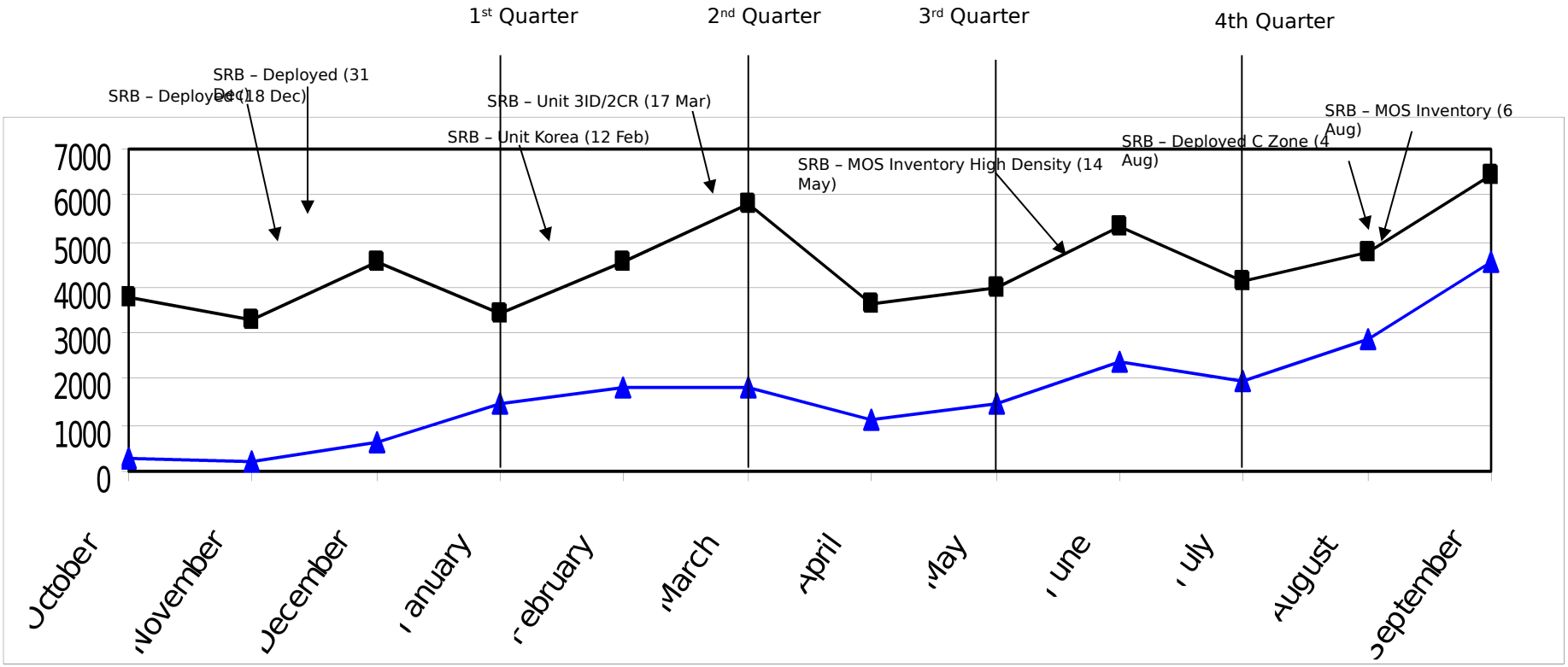
	Active	Reserve	Guard
Recruiting *	77,587 (100.8% of 77,500)	21,278 (100.4% of 21,200)	49,210 (87.9% of 56,000)
Soldier Quality - HSDG **	92.5% (≥90%)	91.9% (≥90%)	83.5% (≥90%)
Soldier Quality - TSC I-IIIA **	71.1% (≥67%)	70.5% (≥67%)	57.1% (≥60%)
Solder Quality - TSC IV **	0.6% (≤ 2%)	0.8% (≤ 2%)	3.5% (≤ 4%)
Write Rate **	1.39 (1.54)	1.59 (?)	1.47 (?)
Retention *	60,010 (107% of 56,100)	16,172 (97.9% of 16,526)	47,012 (99% of 47,500)
Endstrength *	501,200 (100% of 501,000)	204,131 (99.6% of 205,000)	342,918 (98.0% of 350,000)
Attrition - IET **	14.10% (12.00%)	9.28% (12.00%)	12.70% (12.00%)
Attrition - Unit **	6.98% (5.00%)	6.90% (N/A)	11.68% (N/A)
Attrition - Sel Res **	N/A	20.60 (22.00%)	17.70% (18.00%)

Key
* = Accomplished (% of Goal and Goal)
** = Accomplished % (Goal %)

FY04 Program Review

- Army using retention funds as a force shaping tool
- Met FY04 mission of 56,100; cost ~$223M (60,010 Soldiers Retained)
- Selective Reenlistment Bonus (SRB) funds spent in FY04 - $226.7M
  - FY04 Budget ~$99M
  - Supplemental and reprogrammed funding ~$124M
- Regular SRB program review conducted on quarterly basis; Next program update November
- Generated overproduction to achieve 512K

FY04 SRB Program Detail



- **Must maintain current pace throughout FY to achieve mission**
- **Sustainable program through FY05 must average 5,350 reenlistments per month**
  - **Sustained Rate of Reenlistments 4500(+) (first two months of a quarter)**
  - **Cyclic Rate of Reenlistments 7500(+) (As required)**

SRB Budget Since Drawdown

FY	MISSION	ACCOMPLISHED	BUDGET	INITIAL	ANNIV.
04	56,100	60,010	$223.7M	$169.7M	$ 54.0M
03	51,000	54,151	$112.2M	$ 54.3M	$ 59.7M
02	56,800	58,237	$127.8M	$ 71.6M	$ 56.2M
01	64,000	64,982	$108.8M	$ 60.7M	$ 48.1M
00	68,000	71,318	$107.5M	$ 73.0M	$ 34.5M
99	65,000	71,147	$ 82.4M	$ 57.3M	$ 25.1M
98	62,200	63,043	$ 50.6M	$ 28.4M	$ 22.2M
97	79,900	80,000	$ 50.9M	$ 29.6M	$ 21.3M
96	73,070	72,990	$ 34.8M	$ 13.7M	$ 21.1M
95	72,600	72,100	$ 51.6M	$ 22.8M	$ 28.3M
94	67,000	69,700	$ 58.4M	$ 22.9M	$ 35.5M
93	77,500	73,800	$ 65.3M	$ 23.1M	$ 42.2M
92	81,900	77,400	$ 68.9M	$ 21.8M	$ 47.1M
91	77,000	72,900	$ 76.9M	$ 25.8M	$ 51.1M
90	67,000	91,100	$ 83.2M	$ 26.5M	$ 56.7M

Program Intent

- **Use Retention to:**
  - **Leverage reenlistment as a key component to achieve a 512K endstrength faster**
  - **Provide stability for units earmarked for deployment**
  - **Help stabilize personnel for life cycle manning UA build**
  - **Reduce Stop Loss population**
  - **Reduce the increased requirements on the training base associated with the 512K**

Assumptions

- **Availability of funding; FY05 Budget and supplemental amount ~$204M**

- **Use of SRB Program will offset the effects of:**
  - **multiple deployments**
  - **Stop Loss**
  - **improved economy**

- **There will be additional, unplanned UA growth in FY05**

- **No retroactive bonus payments granted**

- **Continue application of Current Selective Reenlistment Bonus program**

- **Continue to offer SRB for deployed personnel regardless of MOS**

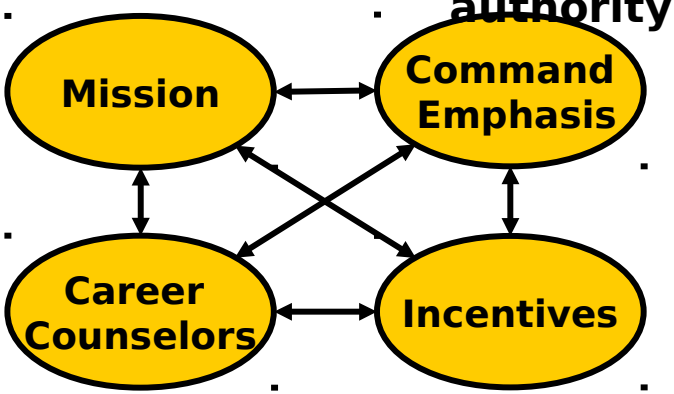
FY05 Mission and Goals

	Active	Reserve	Guard
Recruiting	80,000	22,175	70,000
Soldier Quality - HSDG	≥90%	≥90%	≥90%
Soldier Quality - TSC I-IIIA	≥67%	≥67%	≥60%
Solder Quality - TSC IV	≤ 2%	≤ 2%	≤ 4%
Write Rate	1.6	1.59	1.4
Retention	64,162	16,370	32,466
Endstrength	508,000	205,000	350,000
Attrition - IET	12%	12%	12%
Attrition - Unit	5%	N/A	N/A
Attrition - Sel Res	N/A	20%	18%

FY05 Retention Levers

- Regular Army = 64,162 Mission
- Army Reserve = 16,370 Mission
- Army National Guard = 32,466 Mission

- G-1 Memo to Senior Army Commanders
- Retention STRATCOM
- Congressional Support for Bonus authority updates



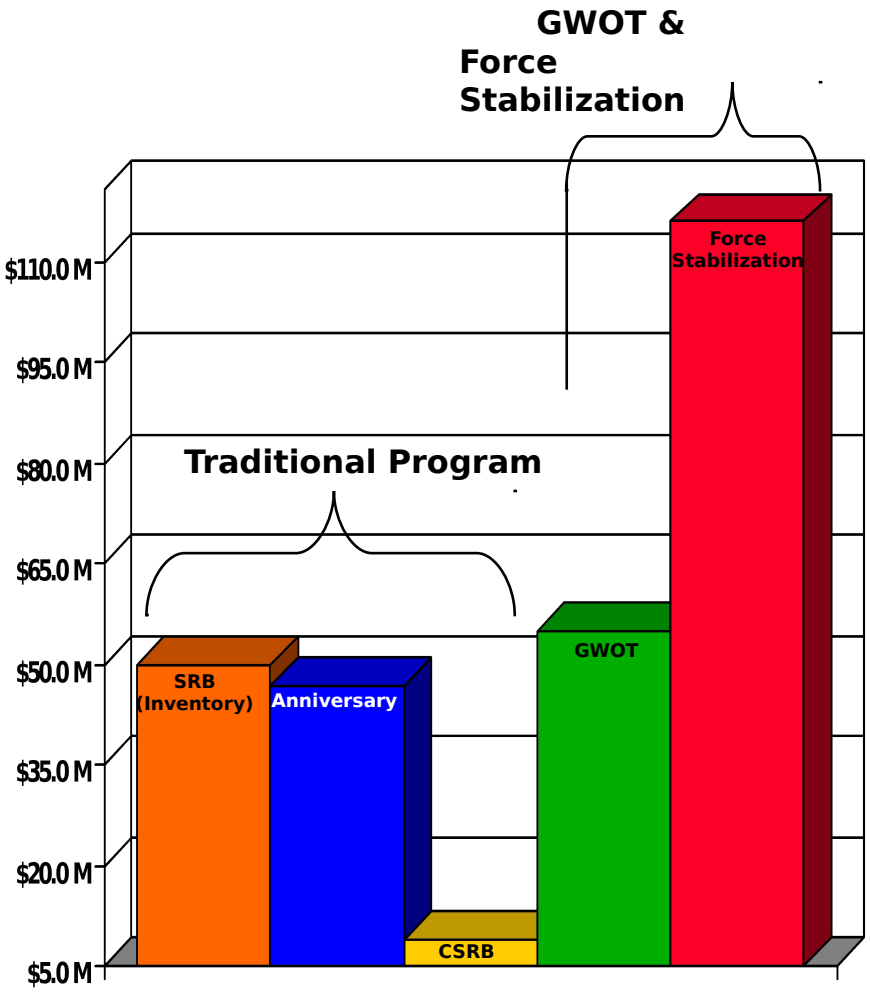
- Force Stabilization Impact
- AC Career Counselor Manning
- AC/RC Transition Mission
- RC Career Counselor Manning

- SRB Program Updates (UA Build / Deployed Force)
- Consolidation of Bonus Authorities for RC

FY05 Retention Challenges

- **Increase in Mission**
- **Active Army Program Costs**
  - FY04 SRB Cost - $223M
  - FY05 Budget/Supplemental
- **Inadequate Manning of Career Counselors in support of UAs**
  - Local UA commander will be without adequate retention support based on UA growth and stationing
  - Field Commanders have requested (3ID/101st/10th) Career Counselors be move to MTOE documents have been disapproved by Modularity Task Force.
- **Consolidation of Bonus Authorities**
  - Pending approval
  - Fallback to FY06 ULB submissions
- **Impact of Deployments, Stop-Loss**
  - Continue to monitor surveys, but reenlistment rates of Soldiers returning from deployments remains at or above historical norms
- **Force Stabilization Initiatives**
  - Perceived Coercion
  - Command Emphasis

FY05 Program



- Reenlistment mission – 64,162; largest mission since 2000 (68,000)

- Selective Reenlistment Bonus budget ($204M)
  - Total Funding $94M
    - $47M anniversary payments
    - $47M new contracts
  - Supplemental Requested $110M (new contracts)

- Utilize lump sum payments exclusively

- Increased FY05 mission requires robust regular Bonus program targeting high density skills
  - $277M Total estimated requirements

	Projected Takers
$47M Anniversary Payments	
$50M SRB – Inventory	6,462
$9M CSRB	330
$55M SRB – Deployed (GWOT)	7,700
$116M SRB – Unit (Force Stabilization)	14,000
Units Include: 4/101INF, 3/10INF, 4/10MTN, 3/4INF, 4/4INF, SBCT1, SBCT 2, SBCT4, SBCT 5, 4/1CAV, 3/25INF, 4/25INF, 5/25INF, 6/25INF, 4/82INF, 3ACR, and 2/2INF	
Non-Bonus Reenlistments	36,000
TOTAL	64,162

FY04 / FY05 Retention Program

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